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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/599,923	10/13/2006	Woo Sung Lee	56587.43	6610
27128 7590 06/30/2008 HUSCH BLACKWELL SANDERS LLP 720 OLIVE STREET SUITE 2400 ST. LOUIS, MO 63101				
EXAMINER				
UBER, NATHAN C				
ART UNIT		PAPER NUMBER		
3622				
NOTIFICATION DATE		DELIVERY MODE		
06/30/2008		ELECTRONIC		

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

pto-sl@huschblackwell.com

### Office Action Summary

**Application No.**

10/599,923

**Applicant(s)**

LEE, WOO SUNG

**Examiner**

NATHAN C. UBER

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**Period for Reply** -- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 13 October 2006.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-8, 10 and 12-20 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-8, 10 and 12-20 is/are rejected.
- 7) ☒ Claim(s) 13 and 17-20 is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☒ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☒ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO/SF/08)  
Paper No(s)/Mail Date 13 October 2006.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: \_\_\_\_\_

## **DETAILED ACTION**

### **Status of Claims**

1. This action is in reply to the national stage entry filed on 13 October 2006.
2. Claims 1-8, 10 and 12-14 have been amended by preliminary amendment 13 October 2006.
3. Claims 15-20 have been added by preliminary amendment 13 October 2006.
4. Claims 9 and 11 have been canceled by preliminary amendment 13 October 2006.
5. Claims 1-8, 10 and 12-20 are currently pending and have been examined.

### **Information Disclosure Statement**

6. The Information Disclosure Statement filed on 13 October 2006 has been considered. An initialed copy of the Form 1449 is enclosed herewith.

### **Claim Objections**

7. Claims 13, 17 and 18 are objected to under 37 CFR 1.75(c), as being of improper dependent form. Applicant is required to cancel the claims, or amend the claims to place the claims in proper dependent form, or rewrite the claims in independent form.
8. Claims 19 and 20 are objected to because the "code" limitations in the claim are not sufficiently tied to the "computer-executable instructions." Code alone is not functional, whereas "computer readable program code" or "computer executable instructions" or "computer executable code" is functional. Examiner suggests employing such language to demonstrate that the "code" limitations are sufficiently tied to the functional language of the preamble.

### **Claim Rejections - 35 USC § 112**

9. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

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10. Claims 13, 17 and 18 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claims 13, 17 and 18 depend from independent claims 1 and 10 which are method claims. Claim 13 is directed to a computer readable medium and claims 17 and 18 are directed to computers. Claims that are directed to, or that contain limitations directed to, more than one statutory class of invention are ambiguous. See MPEP 2173.05(p)(II).

#### Claim Rejections - 35 USC § 101

11. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

12. Claims 1-8, 10, 12 and 16 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Based on Supreme Court precedent, a method/process claim must (1) be tied to another statutory class of invention (such as a particular apparatus) (see at least *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876)) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing (see at least *Gottschalk v. Benson*, 409 U.S. 63, 71 (1972)). A method/process claim that fails to meet one of the above requirements is not in compliance with the statutory requirements of 35 U.S.C. 101 for patent eligible subject matter. Here independent claims 1 and 10 fail to meet the above requirements because they do not tie in a second statutory class of invention. Dependent claims 7-8, 12 and 16 are rejected because they do not tie in a second statutory class of invention and because they inherit the deficiencies of the independent claims.
13. Claims 13, 17 and 18 are rejected under 35 U.S.C. 101 because the claimed invention is not directed to a statutory class of invention, but instead embraces or overlaps two different statutory classes of invention. The claims are directed to both a method and a system. 35 U.S.C. § 101

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sets forth the proper statutory classes of invention in the alternative only. See MPEP 2173.05(p)(II).

#### Claim Rejections - 35 USC § 102

14. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

15. **Examiner's Note:** The Examiner has pointed out particular references contained in the prior art of record within the body of this action for the convenience of the Applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply. Applicant, in preparing the response, should consider fully the entire reference as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the Examiner.
16. Claims 1-8, 10 and 12-20 are rejected under 35 U.S.C. 102(e) as being anticipated by McElfresh et al. (U.S. 6,907,566 B1).

#### Claims 1 and 19:

McElfresh, as shown, discloses the following limitations:

- *defining a plurality of advertisement locations for placement of advertisements in association with keywords, at least one of said advertisement locations including a plurality of unit display zones in association with a predetermined keyword (see at least Figure 2),*

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- *receiving at least one bid data corresponding to a first unit display zone from at least one advertiser, said first unit display zone being one of the plurality of said unit display zones associated with said predetermined keyword (see at least column 6, lines 57-67),*
- *storing said bid data (see at least column 6, lines 57-67, see also figure 3A, RAD server),*
- *determining whether a predetermined transfer condition for right to display said first unit display zone is satisfied, which a first advertiser owns (see at least column 6, lines 42-48),*
- *retrieving at least a portion of said stored bid data owns (see at least column 6, lines 42-48 and lines 49-56),*
- *determining winning bid among said retrieved bid data for placement of advertisement on said first unit display zone in association with search result list generated in response to a search query associated with said predetermined keyword (see at least column 8, lines 1-8),*
- *transferring said display right of said first unit display zone from said first advertiser to a second advertiser which has submitted said winning bid (see at least column 8, lines 1-8).*

**Claim 2:**

McElfresh, as shown, discloses the following limitation:

- *if said display right of said first unit display zone is transferred to said second advertiser, the steps (d) - (g) are executed for at least one of the remaining unit display zones associated with said predetermined keyword (see at least column 8, line 1-8).*

**Claim 3:**

McElfresh, as shown, discloses the following limitation:

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- *if said second advertiser has submitted a plurality of winning bids corresponding to a plurality of said unit display zones associated with said predetermined keyword, one unit display zone is assigned to said second advertiser in accordance with at least one predetermined display priority condition (see at least column 8, line 1-8).*

**Claim 4:**

McElfresh, as shown, discloses the following limitation:

- *wherein the predetermined display priority condition is determined based at least in part on review of cost-per-click pricing model (see at least column 8, line 1-8).*

**Claim 15:**

McElfresh, as shown, discloses the following limitation:

- *the predetermined display priority condition is determined based at least in part on review of selection by said second advertiser (see at least column 8, line 1-8).*

**Claim 5:**

McElfresh, as shown, discloses the following limitations:

- *said bid data include payable fee per single click (see at least column 8, line 1-8),*
- *the step (f) of determining winning bid comprises the step of determining winning bid in accordance with said payable fee per single click (see at least column 8, line 1-8).*

**Claim 6:**

McElfresh, as shown, discloses the following limitation:

- *ordering said stored bid data in accordance with payable fee per single click, said payable fee per single click being included in said bid data, wherein the*

*step (f) of determining winning bid determines said winning bid in accordance with the order of said bid data (see at least column 8, line 1-8).*

**Claim 7:**

McElfresh, as shown, discloses the following limitations:

- *the predetermined transfer condition is associated with a bid data corresponding to the first unit display zone, which has been newly submitted, and (see at least column 8, line 1-8),*
- *the step (f) of determining winning bid comprises the steps of ordering said stored bid data (see at least column 8, line 1-8),*
- *re-ordering said stored bid data if a new bid data has been submitted (see at least column 8, line 1-8),*
- *determining winning bid in accordance with the order of said bid data (see at least column 8, line 1-8).*

**Claim 8:**

McElfresh, as shown, discloses the following limitation:

- *the predetermined transfer condition is associated with the expiration of a predetermined contract for the search listing (see at least column 8, line 1).*

**Claim 13:**

McElfresh, as shown, discloses the following limitation:

- *A computer-readable recording medium having computer-executable instructions for executing a method according to claim 1 (see at least figure 3).*

**Claim 17:**

McElfresh, as shown, discloses the following limitation:

- *A computer programmed to perform the steps recited in claim 1 (see at least figure 3).*

**Claims 10 and 20:**



McElfresh, as shown, discloses the following limitations:

- *receiving a plurality of bids for a particular placement position of advertisement in association with a predetermined keyword, said each bid indicating a bid amount and an advertisement (see at least column 6, lines 57-67),*
- *storing said bids see at least column 6, lines 57-67, see also figure 3A, RAD server),*
- *determining whether a predetermined transfer condition for right to display said particular placement position of advertisement is satisfied, which has been assigned to a first advertiser (see at least column 6, lines 42-48),*
- *selecting, based at least in part on review of bid amounts, a bid of said stored bids for said particular placement position of advertisement in association with said predetermined keyword (see at least column 8, lines 1-8),*
- *transferring said right to display said particular placement position of advertisement in association with said predetermined keyword from said first advertiser to a second advertiser who has submitted said selected bid (see at least column 8, lines 1-8).*

**Claim 12:**

McElfresh, as shown, discloses the following limitation:

- *if said second advertiser wins bidding for more than one placement position of advertisement in association with said predetermined keyword, one placement position of advertisement in association with said predetermined keyword is assigned to said second advertiser in accordance with a predetermined condition, and wherein said predetermined condition is determined based at least in part on review of cost-per-click pricing model (see at least column 8, line 1-8).*

**Claim 16:**

McElfresh, as shown, discloses the following limitation:

- *if said second advertiser wins bidding for more than one placement position of advertisement in association with said predetermined keyword, only one placement position of advertisement in association with said predetermined keyword is assigned to said second advertiser in accordance with a predetermined condition, and wherein said predetermined condition is determined based at least in part on review of selection by said second advertiser (see at least column 8, line 1-8).*

**Claim 18:**

McElfresh, as shown, discloses the following limitation:

- *A computer programmed to perform the steps recited in claim 10 1 (see at least figure 3).*

**Claim 14:**

McElfresh, as shown, discloses the following limitations:

- *means for defining a plurality of advertisement locations in association with a plurality of keywords, at least one of said advertisement locations including a plurality of unit display zones in association with a predetermined keyword (see at least figure 2),*
- *a user interface, said user interface receiving bid data corresponding to a first unit display zone of the plurality of unit display zones associated with the predetermined keyword from at least one advertiser (see at least figure 3),*
- *a memory, said memory storing said bid data (see at least figure 3),*
- *means for processing bid for said first unit display zone, said means for processing the bid determining winning bid for said first unit display zone (see at least figure 3),*
- *means for transferring a display right of said first unit display zone to an advertiser who has submitted the winning bid (see at least figure 3),*

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- *wherein said means for processing the bid performs a re-bid if a predetermined transfer condition for the display right of said first unit display zone is satisfied (see at least figure 3).*

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**Conclusion**

17. Any inquiry of a general nature or relating to the status of this application or concerning this communication or earlier communications from the Examiner should be directed to **Nathan C Uber** whose telephone number is **571.270.3923**. The Examiner can normally be reached on Monday-Friday, 9:30am-5:00pm. If attempts to reach the examiner by telephone are unsuccessful, the Examiner's supervisor, **Eric Stamber** can be reached at **571.272.6724**.
18. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://portal.uspto.gov/external/portal/pair> <<http://pair-direct.uspto.gov>>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at **866.217.9197** (toll-free).
19. Any response to this action should be mailed to:

**Commissioner of Patents and Trademarks**

**P.O. Box 1450, Alexandria, VA 22313-1450**

or faxed to **571-273-8300**.

20. Hand delivered responses should be brought to the **United States Patent and Trademark Office Customer Service Window**:

Randolph Building  
401 Dulany Street  
Alexandria, VA 22314.

/Nathan C Uber/ Examiner, Art Unit 3622  
19 June 2008

/Arthur Duran/  
Primary Examiner, Art Unit 3622